



This document is scheduled to be published in the Federal Register on 05/23/2014 and available online at <http://federalregister.gov/a/2014-12011>, and on FDsys.gov

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5789-N-01]

Notice of Regulatory Waiver Requests Granted for the First Quarter of Calendar Year 2014

AGENCY: Office of the General Counsel, HUD.

ACTION: Notice.

SUMMARY: Section 106 of the Department of Housing and Urban Development Reform Act of 1989 (the HUD Reform Act) requires HUD to publish quarterly Federal Register notices of all regulatory waivers that HUD has approved. Each notice covers the quarterly period since the previous Federal Register notice. The purpose of this notice is to comply with the requirements of section 106 of the HUD Reform Act. This notice contains a list of regulatory waivers granted by HUD during the period beginning on January 1, 2014, and ending on March 31, 2014.

FOR FURTHER INFORMATION CONTACT: For general information about this notice, contact Camille E. Acevedo, Associate General Counsel for Legislation and Regulations, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 10282, Washington, DC 20410-0500, telephone 202-708-1793 (this is not a toll-free number). Persons with hearing- or speech-impairments may access this number through TTY by calling the toll-free Federal Relay Service at 800-877-8339.

For information concerning a particular waiver that was granted and for which public notice is provided in this document, contact the person whose name and address follow the description of the waiver granted in the accompanying list of waivers that have been granted in the first quarter of calendar year 2014.

SUPPLEMENTARY INFORMATION:

Section 106 of the HUD Reform Act added a new section 7(q) to the Department of Housing and Urban Development Act (42 U.S.C. 3535(q)), which provides that:

1. Any waiver of a regulation must be in writing and must specify the grounds for approving the waiver;
2. Authority to approve a waiver of a regulation may be delegated by the Secretary only to an individual of Assistant Secretary or equivalent rank, and the person to whom authority to waive is delegated must also have authority to issue the particular regulation to be waived;
3. Not less than quarterly, the Secretary must notify the public of all waivers of regulations that HUD has approved, by publishing a notice in the Federal Register. These notices (each covering the period since the most recent previous notification) shall:
 - a. Identify the project, activity, or undertaking involved;
 - b. Describe the nature of the provision waived and the designation of the provision;
 - c. Indicate the name and title of the person who granted the waiver request;
 - d. Describe briefly the grounds for approval of the request; and
 - e. State how additional information about a particular waiver may be obtained.

Section 106 of the HUD Reform Act also contains requirements applicable to waivers of HUD handbook provisions that are not relevant to the purpose of this notice.

This notice follows procedures provided in HUD's Statement of Policy on Waiver of Regulations and Directives issued on April 22, 1991 (56 FR 16337). In accordance with those procedures and with the requirements of section 106 of the HUD Reform Act, waivers of regulations are granted by the Assistant Secretary with jurisdiction over the regulations for which a waiver was requested. In those cases in which a General Deputy Assistant Secretary granted

the waiver, the General Deputy Assistant Secretary was serving in the absence of the Assistant Secretary in accordance with the office's Order of Succession.

This notice covers waivers of regulations granted by HUD from January 1, 2014 through March 31, 2014. For ease of reference, the waivers granted by HUD are listed by HUD program office (for example, the Office of Community Planning and Development, the Office of Fair Housing and Equal Opportunity, the Office of Housing, and the Office of Public and Indian Housing, etc.). Within each program office grouping, the waivers are listed sequentially by the regulatory section of title 24 of the Code of Federal Regulations (CFR) that is being waived. For example, a waiver of a provision in 24 CFR part 58 would be listed before a waiver of a provision in 24 CFR part 570.

Where more than one regulatory provision is involved in the grant of a particular waiver request, the action is listed under the section number of the first regulatory requirement that appears in 24 CFR and that is being waived. For example, a waiver of both § 58.73 and § 58.74 would appear sequentially in the listing under § 58.73.

Waiver of regulations that involve the same initial regulatory citation are in time sequence beginning with the earliest-dated regulatory waiver.

Should HUD receive additional information about waivers granted during the period covered by this report (the first quarter of calendar year 2014) before the next report is published (the second quarter of calendar year 2014), HUD will include any additional waivers granted for the first quarter in the next report.

Accordingly, information about approved waiver requests pertaining to HUD regulations is provided in the Appendix that follows this notice.

Dated: May 19, 2014.

Damon Y. Smith,

Acting General Counsel.

APPENDIX

Listing of Waivers of Regulatory Requirements Granted by Offices of the Department of Housing and Urban Development January 1, 2014 through March 31, 2014

Note to Reader: More information about the granting of these waivers, including a copy of the waiver request and approval, may be obtained by contacting the person whose name is listed as the contact person directly after each set of regulatory waivers granted.

The regulatory waivers granted appear in the following order:

- I. Regulatory waivers granted by the Office of Community Planning and Development.
- II. Regulatory waivers granted by the Office of Housing.
- III. Regulatory waivers granted by the Office of Public and Indian Housing.

I. Regulatory Waivers Granted by the Office of Community Planning and Development

For further information about the following regulatory waivers, please see the name of the contact person that immediately follows the description of the waiver granted.

- **Regulation:** 24 CFR 576.106(d)(1).

Project/Activity: Du Page County, IL and the State of West Virginia each requested a waiver of 24 CFR 576.106(d) to allow the use Emergency Solutions Grants (ESG) rapid re-housing and homelessness prevention funding for housing units with rents exceeding HUD's Fair Market Rent (FMR) requirements.

Nature of Requirement: Under 24 CFR 576.106(d)(1), rental assistance cannot be provided unless the rent is equal to or less than the FMR established by HUD, as provided under 24 CFR part 888, and complies with HUD's standard of rent reasonableness, as established under 24 CFR 982.507. This restriction is intended to ensure that program participants can remain in their housing after their ESG assistance ends. This restriction also helps ensure that the amount of ESG assistance provided for rental assistance is reasonable, while serving the greatest number of program participants possible.

Granted By: Mark Johnston, Deputy Assistant Secretary for Special Needs, Office of Community Planning and Development.

Date Granted: March 27, 2014.

Reason Waived: Du Page County, Illinois, and the State of West Virginia sufficiently demonstrated their requested waivers were necessary to ensure their program participants could find habitable units in which ESG rental assistance could be used. In addition, the waivers were sufficiently limited to permit Du Page County, IL and the State of West Virginia to assist with rents that are only slightly higher than the FMR and meet HUD's standard of rent reasonableness. HUD determined that the slightly higher rents would not prevent program participants from being able to retain the housing after the assistance ends.

Contact: Ann M. Oliva, Director, Office of Special Needs Assistance Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 7262, Washington, DC 20410, telephone number (202) 708-4300.

- **Regulation:** 24 CFR 882.410(a)(2).

Project/Activity: The Housing Authority of New Orleans (HANO, LA) requested a waiver of 24 CFR 882.410(a)(2) to allow a special rent adjustment to cover the costs of substantial increases in property insurance premiums for a Moderate Rehabilitation Single Room Occupancy (Mod Rehab SRO) project in the City of New Orleans.

Nature of Requirement: This regulation permits a special rent adjustment to reflect increases in the actual and necessary expenses of owning and maintaining the unit which have resulted from substantial general increases in real property taxes, assessments, utility rates and utilities not covered by regulated rates. The list of costs covered by special adjustments at this regulation does not include property insurance.

Granted By: Mark Johnston, Deputy Assistant Secretary for Special Needs, Office of Community Planning and Development.

Date Granted: March 20, 2014

Reason Waived: The granting of the waiver was based on the statutory authority for special adjustments at section 8(c)(2)(B) of the U.S. Housing Act of 1937, which provides for “similar costs.” The granting of the waiver recognized property insurance premiums as a similar cost.

Contact: Ann M. Oliva, Director, Office of Special Needs Assistance Programs, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 7262, Washington, DC 20410, telephone number (202) 708-4300.

- **Regulation:** Neighborhood Stabilization Program 3 Notice 75 FR 64333 (II.H.3.F) in accordance with Title XII of Division A under the heading Community Planning and

Development: Community Development Fund of the American Recovery and Reinvestment Act of 2009.

Project/Activity: The city of Warren, MI requested a waiver of the 10 percent demolition cap under the Neighborhood Stabilization Program (NSP) which restricts grantees from spending more than 10 percent of total grant funds on demolition activities. The city requested a waiver to spend \$277,701.28 or approximately 16 percent of its Neighborhood Stabilization Program 3 (NSP3) allocation on the demolition of blighted structures.

Nature of Requirement: Section II.H.3.F of the NSP3 Notice provides that a grantee may not use more than 10 percent of its grant for demolition activities.

Granted By: Mark Johnston, Deputy Assistant Secretary for Special Needs, Office of Community Planning and Development.

Date Granted: January 8, 2014.

Reason Waived: The city provided statistical data showing high vacancy and abandonment rates that resulted from significant population and job loss. The city explained that there are a high number of properties requiring immediate demolition to remove safety hazards and the destabilizing influence of the blighted properties. The city committed to link the targeted demolition units with the rehabilitation of several units in the same locality that would assist in restoring stability in the area. On the basis of this information, the waiver was granted.

Contact: Jessie Handforth Kome, Deputy Director, Office of Block Grant Assistance, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street SW, Room 7286, Washington, DC 20410, telephone (202) 402-5539.

- **Regulation:** Neighborhood Stabilization Program 3 Notice 75 FR 64333 (II.H.3.F) in accordance with Title XII of Division A under the heading Community Planning and Development: Community Development Fund of the American Recovery and Reinvestment Act of 2009.

Project/Activity: Lorain County, OH requested a waiver of the 10 percent demolition cap under the Neighborhood Stabilization Program (NSP) which restricts grantees from spending more than 10 percent of total grant funds on demolition activities. The county requested a waiver to spend \$900,000.00 or approximately 55 percent of its NSP3 allocation on demolition of blighted structures.

Nature of Requirement: Section II.H.3.F of the NSP3 Notice provides that a grantee may not use more than 10 percent of its grant for demolition activities.

Granted By: Mark Johnston, Deputy Assistant Secretary for Special Needs, Office of Community Planning and Development.

Date Granted: February 26, 2014.

Reason Waived: The county provided statistical data showing high vacancy and abandonment rates due to significant population and job loss in the region. The county explained that there are 44 units in the city of Elyria and several units in the city of Lorain that require immediate demolition. The removal of these safety hazards and destabilizing influence would promote meaningful development to occur within a faster timeframe. On the basis of this information, the waiver was granted.

Contact: Jessie Handforth Kome, Deputy Director, Office of Block Grant Assistance, Office of Community Planning and Development, Department of Housing and Urban

Development, 451 Seventh Street SW, Room 7286, Washington, DC 20410, telephone (202) 402-5539.

- **Regulation:** Neighborhood Stabilization Program 3 Notice 75 FR 64333 (II.H.3.F) in accordance with Title XII of Division A under the heading Community Planning and Development: Community Development Fund of the American Recovery and Reinvestment Act of 2009.

Project/Activity: Anderson, IN requested a waiver of the 10 percent demolition cap under the Neighborhood Stabilization Program (NSP) which restricts grantees from spending more than 10 percent of total grant funds on demolition activities. The city requested a waiver to spend \$512,881 or approximately 42 percent of its NSP3 allocation on the demolition of blighted structures.

Nature of Requirement: Section II.H.3.F of the NSP3 Notice provides that a grantee may not use more than 10 percent of its grant for demolition activities.

Granted By: Mark Johnston, Deputy Assistant Secretary for Special Needs, Office of Community Planning and Development.

Date Granted: February 21, 2014.

Reason Waived: The city provided statistical data evidencing high vacancy and abandonment rates due to significant population and job loss. These demolition funds would remove and assist in stabilizing commercial sites that will in turn attract investments and jobs. On the basis of this information, the waiver was granted.

Contact: Jessie Handforth Kome, Deputy Director, Office of Block Grant Assistance, Office of Community Planning and Development, Department of Housing and Urban

Development, 451 Seventh Street SW, Room 7286, Washington, DC 20410, telephone (202) 402-5539.

II. Regulatory Waivers Granted by the Office of Housing – Federal Housing

Administration (FHA)

For further information about the following regulatory waivers, please see the name of the contact person that immediately follows the description of the waiver granted.

- **Regulation:** 24 CFR 200.73(c).

Project/Activity: Broadway Townhomes, Camden, N.J., Project Number: 035-35103.

Nature of Requirement: HUD’s regulation at 24 CFR 200.73(c) requires that one site contains at least five rental dwelling units. HUD’s Handbook 4425.1, Chapter 3, Part 3-7, elaborates on this regulation by stating that the project must be one site and the site may consist of two or more non-contiguous parcels, i.e. a “scattered site,” if they meet the requirements outlined in the handbook. In the case of a scattered site, however, a waiver of 24 C.F.R. §200.73(c) is needed if each noncontiguous parcel does not contain at least five rental dwelling units.

Granted By: Carol J. Galante, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: February 25, 2014.

Reason Waived: Each noncontiguous parcel in the project did not contain at least five units. The project demonstrated marketability and the capability of being managed as a single real estate entity. All of the properties continue to be professionally managed and maintained

as a group, have existing housing assistance payment (HAP) contracts and have been allocated low-income housing tax credits. The applicable Internal Revenue Service (IRS) provisions related to the tax credits ended in December 2004; however, the partnership managing the project executed an extended low-income housing covenant for a total period of 30 years, which ends December 31, 2019. No physical or other changes to the property were identified which would impact its ongoing recognition as a single project constituting 157 sites containing 175 multifamily rental units. The combined total land area for the (157) parcels in 3.91 acres or 170,295 square feet contained within 10 square blocks.

Contact: Theodore K. Toon, Director, Office of Multifamily Housing Development, HTD, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 6134, Washington, DC 20410, telephone (202) 402-8386.

- **Regulation:** 24 CFR 203.32(a) and 24 CFR 203.41(a)(3).

Project/Activity: Downpayment Assistance/Quicken Loans' Employee Down Payment Assistance Program in Detroit, Michigan. Quicken Loans requested authority to provide downpayment assistance loans with restrictions for an amount not to exceed \$20,000 per loan to its employees who purchase principal residences with FHA-insured mortgages in downtown Detroit, Michigan, so long as no part of the downpayment assistance loan was used to fund the borrower's minimum required investment for the first mortgage. For each year that an employee maintains employment with Quicken Loans, continues to occupy the property as its principal residence, and does not sell or transfer the home during a five year period, 20 percent of the unpaid principal balance on the down payment assistance loan will be forgiven. Under

this waiver Quicken Loans may provide no more than eighty down payment assistance loans over a two year period.

Nature of Requirement: HUD's regulation at 24 CFR 203.32(a) prohibits a contractual liability resulting in unpaid obligations in connection with an FHA-insured mortgage insured, and HUD's regulation at 24 CFR 203.41(a)(3) prohibits any legal restriction on the conveyance of a property insured by the FHA.

Granted By: Carol J. Galante, Assistant Secretary for Housing – Federal Housing Commissioner.

Date Granted: January 31, 2014.

Reason Waived: A waiver of the regulation was granted because the Quicken Loans program is aligned with HUD's focus on assisting Detroit, Michigan with its recovery from bankruptcy. The Quicken Loans program would support Detroit's local economy by encouraging investment in the Detroit housing market, thereby stimulating economic development, increasing tax revenues and renovating the housing stock in downtown Detroit. Furthermore, FHA determined that risk to the Mutual Mortgage Insurance Fund would be minimal due to the limited scope of the program targeting one metropolitan area.

Contact: Arlene Nunes, Office of the Deputy Assistant Secretary of Single Family Housing, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 9266, Washington, DC 20410, telephone (202) 708-3000.

- **Regulation:** 24 CFR 219.220(b).

Project/Activity: Pine Grove Apartments, FHA Project Number 023-027NI, Taunton, MA. The owners have requested deferral of repayment of the Flexible Subsidy Operating

Assistance Loan on this project due to their inability to repay the loan in full upon prepayment of the 236 Loan.

Nature of Requirement: Section 219.220(b) which governs the repayment of operating assistance provided under the Flexible Subsidy Program for Troubled Projects prior to May 1, 1996 states: “Assistance that has been paid to a project owner under this subpart must be repaid at the earlier of the expiration of the term of the mortgage, termination of mortgage insurance, prepayment of the mortgage, or a sale of the project. . .” Either of these actions would typically terminate FHA involvement with the property, and the Flexible Subsidy Loan would be repaid, in whole, at that time.

Granted by: Carol J. Galante, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: January 13, 2014.

Reason Waived: The owner requested and was granted waiver of the requirement to defer repayment of the Flexible Subsidy Operating Assistance Loan to allow the much needed preservation and moderate rehabilitation of the project. The project will be preserved as an affordable housing resource of Taunton, MA.

Contact: Minnie Monroe-Baldwin, Director of Preservation, Office of Affordable Housing Preservation, Office of Housing, Department of Housing and Urban Development, 451 7th Street, SW, Room 6222, Washington, DC 20410, telephone (202) 402-2636.

- **Regulation:** 24 CFR 219.220(b).

Project/Activity: Garfield Park Village Apartments, FHA Project Number 121-SH022 and 121-SH072, Santa Cruz, CA. The owners have requested deferral of repayment of the

Flexible Subsidy Operating Assistance Loan on this project due to their inability to repay the loan in full upon prepayment of the 202 Loan.

Nature of Requirement: Section 219.220(b) which governs the repayment of operating assistance provided under the Flexible Subsidy Program for Troubled Projects prior to May 1, 1996 states: “Assistance that has been paid to a project owner under this subpart must be repaid at the earlier of the expiration of the term of the mortgage, termination of mortgage insurance, prepayment of the mortgage, or a sale of the project. . .” Either of these actions would typically terminate FHA involvement with the property, and the Flexible Subsidy Loan would be repaid, in whole, at that time.

Granted by: Carol J. Galante, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: March 25, 2014.

Reason Waived: The owner requested and was granted waiver of the requirement to defer repayment of the Flexible Subsidy Operating Assistance Loan to allow the much needed preservation and moderate rehabilitation of the project. The project will be preserved as a senior affordable housing resource of Santa Cruz, CA.

Contact: Minnie Monroe-Baldwin, Director of Preservation, Office of Affordable Housing Preservation, Office of Housing, Department of Housing and Urban Development, 451 7th Street, SW, Room 6222, Washington, DC 20410, telephone (202) 402-2636.

- **Regulation:** 24 CFR 219.220(b).

Project/Activity: Southwicke Square Cooperative 1-3, FHA Project Number 044-44057/44058/44059, Trenton, Michigan. The owners requested deferral of repayment of the

Flexible Subsidy Operating Assistance Loan on this project due to their inability to repay the loan in full upon maturity.

Nature of Requirement: HUD's regulation at 24 CFR 219.220(b), which governs the repayment of operating assistance provided under the Flexible Subsidy Program for Troubled Projects prior to May 1, 1996, states: "Assistance that has been paid to a project owner under this subpart must be repaid at the earlier of the expiration of the term of the mortgage, termination of mortgage insurance, prepayment of the mortgage, or a sale of the project. . . ." Either of these actions would typically terminate FHA involvement with the property, and the Flexible Subsidy Loan would be repaid, in whole, at that time.

Granted by: Carol J. Galante, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: February 21, 2014.

Reason Waived: The owner requested and was granted waiver of the requirement to defer repayment of the Flexible Subsidy Operating Assistance Loan. Deferral of repayment of the Flexible Subsidy Loan would allow for refinancing of the loan and for significant repairs/improvements to be made to the project, assuring its preservation as an affordable housing resource for an additional 35 years.

Contact: Mark B. Van Kirk, Director, Office of Asset Management, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 6160, Washington, DC 20410, telephone (202) 708-3730.

- **Regulation:** 24 CFR 219.220(b).

Project/Activity: Memorial Apartments, FHA Project Number 052-SH006, Baltimore, Maryland. The owner requested deferral of repayment of the Flexible Subsidy Operating Assistance Loan due to their inability to pay the loan in full upon maturity.

Nature of Requirement: HUD's regulation at 24 CFR 219.220(b), which governs the repayment of operating assistance provided under the Flexible Subsidy Program for Troubled Projects prior to May 1, 1996, states: "Assistance that has been paid to a project owner under this subpart must be repaid at the earlier of the expiration of the term of the mortgage, termination of mortgage insurance, prepayment of the mortgage, or a sale of the project. . . ." Either of these actions would typically terminate FHA involvement with the property, and the Flexible Subsidy Loan would be repaid, in whole, at that time.

Granted by: Carol J. Galante, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: February 18, 2014.

Reason Waived: The owner requested and was granted waiver of this regulation because it has been demonstrated that it is in the public's best interest to defer repayment of the Flexible Subsidy Operating Assistance Loan. The loan will be refinanced, facilitating the substantial rehabilitation of the aging project. Waiving the requirement will provide the long-term preservation of this property as an affordable housing resource for an additional term of 40 years.

Contact: Mark B. Van Kirk, Director, Office of Asset Management, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 6160, Washington, DC 20410, telephone (202) 708-3730.

- **Regulation:** 24 CFR 219.220(b).

Project/Activity: Holy Family Apartments, FHA Project Number 064-55043T, Lafayette, Louisiana. The owners requested deferral of repayment of the Flexible Subsidy Operating Assistance Loan on this project due to their inability to repay the loan in full upon maturity.

Nature of Requirement: HUD's regulation at 24 CFR 219.220(b), which governs the repayment of operating assistance provided under the Flexible Subsidy Program for Troubled Projects prior to May 1, 1996, states: "Assistance that has been paid to a project owner under this subpart must be repaid at the earlier of the expiration of the term of the mortgage, termination of mortgage insurance, prepayment of the mortgage, or a sale of the project. . . ." Either of these actions would typically terminate FHA involvement with the property, and the Flexible Subsidy Loan would be repaid, in whole, at that time.

Granted by: Carol J. Galante, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: January 16, 2014.

Reason Waived: The owner requested and was granted approval to defer repayment of the Flexible Subsidy Operating Assistance Loan for this project as good cause has been shown that it is in the public's best interest. The owner committed to refinance the loan and use the proceeds to complete urgently needed rehabilitation, building code changes and updates of the project. The funding sources will enable the owner to maintain the project as affordable housing for low-income families for 40 years.

- **Regulation:** 24 CFR 232.7.

Project/Activity: VIP Care Pavilion (VIP) serves memory care residents. The facility is licensed for 111 residents. The facility does not meet the requirements of 24 CFR §232.7 “Bathroom” of FHA’s regulations. The building is located in Margate, FL.

Nature of Requirement: HUD’s regulation at 24 CFR 232.7 mandates in a board and care home or assisted living facility that not less than one full bathroom be provided for every four residents. Also, the bathroom cannot be accessed from a public corridor or area.

Granted By: Carol J. Galante, Assistant Secretary for Housing – Federal Housing Commissioner.

Date Granted: February 3, 2014.

Reason Waived: The memory care residents of VIP all need assistance with bathing and toileting. The bathrooms/shower rooms provide enough space for staff to safely assist the residents. VIP concluded that this arrangement is safer for the residents.

Contact: Vance T. Morris, Special Assistant, Office of Healthcare Programs, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 9172, Washington, DC 20410, telephone (202) 402-2419.

- **Regulation:** 24 CFR 232.7.

Project/Activity: Trinity Shores of Port Lavaca (Trinity) is a licensed assisted living facility in Port Lavaca, Texas. The facility has 62 units of which 13 are Memory Care in a secured wing. The 49 assisted living units are fully compliant with 24 CFR 232.7 “Bathroom.”

Nature of Requirement: HUD’s regulation at 24 CFR 232.7 mandates in a board and care home or assisted living facility that not less than one full bathroom be provided for every four residents. Also, the bathroom cannot be accessed from a public corridor or area.

Granted By: Carol J. Galante, Assistant Secretary for Housing – Federal Housing Commissioner.

Date Granted: March 18, 2014.

Reason Waived: The memory care residents of Trinity all need assistance with bathing and toileting. The bathrooms/shower rooms provide enough space for staff to safely assist the residents. Trinity concluded that this arrangement is safer for the residents.

Contact: Vance T. Morris, Special Assistant, Office of Healthcare Programs, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 9172, Washington, DC 20410, telephone (202) 402-2419.

- **Regulation:** 24 CFR 891.100(d).

Project/Activity: Independence Oaks Apartments, Cleveland, TX, Project Number: 114-HD048/TX24-Q101-002.

Nature of Requirement: Section 891.100(d) prohibits amendment of the amount of the approved capital advance funds prior to closing.

Granted by: Carol J. Galante, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: January 28, 2014.

Reason Waived: The project is economically designed and comparable in cost to similar projects in the area, and the sponsor/owner exhausted all efforts to obtain additional funding from other sources.

Contact: Catherine M. Brennan, Director, Office of Housing Assistance and Grant Administration, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 6134, Washington, DC 20410, telephone (202) 708-3000.

- **Regulation:** 24 CFR 891.100(d).

Project/Activity: Stephenson 202, Stephenson, MI, Project Number: 047-EE052/MI33-S101-002.

Nature of Requirement: Section 891.100(d) prohibits amendment of the amount of the approved capital advance funds prior to closing.

Granted by: Carol J. Galante, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: January 28, 2014.

Reason Waived: The project is economically designed and comparable in cost to similar projects in the area, and the sponsor/owner exhausted all efforts to obtain additional funding from other sources.

Contact: Catherine M. Brennan, Director, Office of Housing Assistance and Grant Administration, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 6134, Washington, DC 20410, telephone (202) 708-3000.

- **Regulation:** 24 CFR 891.100(d).

Project/Activity: InReach Apartments, Charlotte, NC, Project Number: 053-HD257/NC19-Q101-006.

Nature of Requirement: Section 891.100(d) prohibits amendment of the amount of the approved capital advance funds prior to closing.

Granted by: Carol J. Galante, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: January 28, 2014.

Reason Waived: The project is economically designed and comparable in cost to similar projects in the area, and the sponsor/owner exhausted all efforts to obtain additional funding from other sources.

Contact: Catherine M. Brennan, Director, Office of Housing Assistance and Grant Administration, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 6134, Washington, DC 20410, telephone (202) 708-3000.

- **Regulation:** 24 CFR 891.100(d).

Project/Activity: Options Supportive Housing Project XV, Lake Grove, NY,
Project Number: 012-HD144/NY36-Q101-001.

Nature of Requirement: Section 891.100(d) prohibits amendment of the amount of the approved capital advance funds prior to closing.

Granted by: Carol J. Galante, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: January 28, 2014.

Reason Waived: The project is economically designed and comparable in cost to similar projects in the area, and the sponsor/owner exhausted all efforts to obtain additional funding from other sources.

Contact: Catherine M. Brennan, Director, Office of Housing Assistance and Grant Administration, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 6134, Washington, DC 20410, telephone (202) 708-3000.

- **Regulation:** 24 CFR 891.100(d).

Project/Activity: Focus Manor, Louisville, MS, Project Number: 065-HD045/MS26-Q101-001.

Nature of Requirement: Section 891.100(d) prohibits amendment of the amount of the approved capital advance funds prior to closing.

Granted by: Carol J. Galante, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: March 26, 2014.

Reason Waived: The project is economically designed and comparable in cost to similar projects in the area, and the sponsor/owner exhausted all efforts to obtain additional funding from other sources.

Contact: Catherine M. Brennan, Director, Office of Housing Assistance and Grant Administration, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 6134, Washington, DC 20410, telephone (202) 708-3000.

- **Regulation:** 24 CFR 891.165.

Project/Activity: Hayward Senior Housing – Phase II, Hayward, CA, Project Number: 121-EE234/CA39-S101-011.

Nature of Requirement: Section 891.165 provides that the duration of the fund reservation of the capital advance is 18 months from the date of issuance with limited exceptions up to 36 months, as approved by HUD on a case-by-case basis.

Granted by: Carol J. Galante, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: January 8, 2014.

Reason Waived: Additional time was needed in order to meet the construction lender's loan requirement for this capital advance upon completion mixed-finance project.

Contact: Catherine M. Brennan, Director, Office of Housing Assistance and Grant Administration, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 6134, Washington, DC 20410, telephone (202) 708-3000.

- **Regulation:** 24 CFR 891.165.

Project/Activity: Westcliff Heights Senior Apartments, Las Vegas, NV, Project Number: 125-EE131/NV25-S081-001.

Nature of Requirement: Section 891.165 provides that the duration of the fund reservation of the capital advance is 18 months from the date of issuance with limited exceptions up to 36 months, as approved by HUD on a case-by-case basis.

Granted by: Carol J. Galante, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: January 28, 2014.

Reason Waived: Additional time was needed due to the minimum length of time of the construction loan before this capital advance upon completion project can reach initial closing.

Contact: Catherine M. Brennan, Director, Office of Housing Assistance and Grant Administration, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 6134, Washington, DC 20410, telephone (202) 708-3000.

• Fiscal Year 2012 (FY12) Section 811 Project Rental Assistance Demonstration Program NOFA (Docket No. FR-5600-N-28-C1)

Project/Activity: Waiver of NOFA provisions in the FY 2012 Section 811 Project Rental Assistance Demonstration Program NOFA dated May 15, 2012 to allow for revisions to the environmental requirements.

Nature of Requirement: The FY 2012 NOFA detailed environmental requirements and environmental assurance provisions (as corrected in a technical correction posted on July 2, 2012), which applicants selected for funding are obligated to implement. The waiver revised those provisions as follows:

- Properties that are currently HUD-assisted or FHA-insured that will not engage in activities with physical impacts or changes beyond routine maintenance activities or minimal repairs will not have to comply with the environmental tenets.
- Clarification that if, at the time that a project applies for PRAD assistance, the project is under construction or being rehabilitated, the project shall be subject to the environmental review requirements applicable to new construction or rehab if the work has not progressed beyond a stage of construction where modifications

can be undertaken to avoid the adverse environmental impacts addressed by the requirement.

- Projects will have the option to evaluate the site for contamination issues either through an assessment process that is detailed in the proposed revision and is similar to the Office of Community Planning and Development's Continuum of Care (a similar rental assistance program) contamination assessment requirements, or through an ASTM E 1527-05 (or most recent edition) Phase I ESA.
- If the project involves an existing property for which a Phase I ESA was prepared previously for a real estate transaction, and that Phase I ESA met ASTM Phase I ESA requirements at the time it was prepared, a new Phase I ESA will not be required for that project.
- Coastal Barrier Resources was removed as an environmental tenet and made a separate requirement because the statutory obligations of the Coastal Barrier Resources Act remain even without a HUD project level review.

Granted by: Carol J. Galante, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: March 14, 2014.

Reason Waived: The waiver responds to concerns raised by the grantees and further aligns the Section 811 Project Rental Assistance Demonstration NOFA with the environmental requirements and environmental policies of the Office of Housing and HUD generally. Properties that are currently HUD-assisted or FHA-insured and will undergo no more than routine maintenance activities or minimal repairs have already undergone applicable

environmental reviews at time of the original assistance or insurance, and will not undergo significant new physical changes in connection with the PRA assistance. The optional process for evaluating a site for contamination issues, and the use of existing Phase I ESAs that were ASTM-compliant, will facilitate use of the PRA Demo by permitting less costly methods of assessment for contamination while continuing to protect the health and safety of residents. Revising the reference to the Coastal Barrier Resources Act will not alter the applicable requirement but will simply clarify that the requirement is required by statute.

Contact: Catherine M. Brennan, Director, Office of Housing Assistance and Grant Administration, Office of Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 6134, Washington, DC 20410, telephone (202) 708-3000.

III. Regulatory Waivers Granted by the Office of Public and Indian Housing

For further information about the following regulatory waivers, please see the name of the contact person that immediately follows the description of the waiver granted.

- **Regulation:** 24 CFR 982.505(c) (5).

Project/Activity: City of Vallejo Housing and Community Development Division (CVHCDD), Vallejo, CA.

Nature of Requirement: HUD's regulation at 24 CFR 982.505(5) states that irrespective of any increase or decrease in the payment standard amount, if the family unit size increases or decreases during the housing assistance payments (HAP) term, the new family unit size must be used to determine the payment standard amount for the family beginning at the family's first regular reexamination following the change in family unit size.

Granted By: Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing.

Date Granted: March 21, 2014.

Reason Waived: The regulation was waived to allow the CVHCDD to delay implementation of the reduced subsidy standards for affected families until the end of their lease term instead of the family's next annual reexamination, in cases where the lease term does not expire for at least 30 days after the date of the reexamination, and the landlord is unwilling to release the family from its lease. This waiver did not apply to families that are renting on a month-to-month basis.

Contact: Laure Rawson, Director, Housing Voucher Management and Operations Division, Office of Public Housing and Voucher Programs, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 4216, Washington, DC 20410, telephone (202) 708-0477.

- **Regulation:** 24 CFR 982.505(d).

Project/Activity: San Francisco Housing Authority (SFHA), San Francisco, CA.

Nature of Requirement: HUD's regulation at 24 CFR 982.505(d) states that a public housing agency may only approve a higher payment standard for a family as a reasonable accommodation if the higher payment standard is within the basic range of 90 to 110 percent of the fair market rent (FMR) for the unit size.

Granted By: Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing.

Date Granted: January 13, 2014.

Reason Waived: The four homeless veterans, who are disabled, required an exception payment standard to move to units in a building that provided services for veterans. To provide this reasonable accommodation so the clients could move to these units and pay no more than 40

percent of their adjusted income toward the family share, the SFHA was allowed to approve an exception payment standard that exceeded the basic range of 90 to 110 percent of the FMR.

Contact: Laure Rawson, Director, Housing Voucher Management and Operations Division, Office of Public Housing and Voucher Programs, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 4216, Washington, DC 20410, telephone (202) 708-0477.

- **Regulation:** 24 CFR 982.505(d).

Project/Activity: Howard County Housing Commission (HCHC), Howard County, MD.

Nature of Requirement: HUD's regulation at 24 CFR 982.505(d) states that a public housing agency may only approve a higher payment standard for a family as a reasonable accommodation if the higher payment standard is within the basic range of 90 to 110 percent of the fair market rent (FMR) for the unit size.

Granted By: Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing.

Date Granted: March 14, 2014.

Reason Waived: The participant, who is disabled, required an exception payment standard to move to a new unit that met her health needs. To provide this reasonable accommodation so the client could be assisted in a new current unit and pay no more than 40 percent of her adjusted income toward the family share, the HCHC was allowed to approve an exception payment standard that exceeded the basic range of 90 to 110 percent of the FMR

Contact: Laure Rawson, Director, Housing Voucher Management and Operations Division, Office of Public Housing and Voucher Programs, Office of Public and Indian Housing,

Department of Housing and Urban Development, 451 Seventh Street, SW, Room 4216,
Washington, DC 20410, telephone (202) 708-0477.

- **Regulation:** 24 CFR 982.505(d).

Project/Activity: New Avenues to Independence, Inc. (NAII), Cleveland, OH.

Nature of Requirement: HUD's regulation at 24 CFR 982.505(d) states that a public housing agency may only approve a higher payment standard for a family as a reasonable accommodation if the higher payment standard is within the basic range of 90 to 110 percent of the fair market rent (FMR) for the unit size.

Granted By: Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing.

Date Granted: March 31, 2014.

Reason Waived: The participant, who is disabled, required an exception payment standard to remain in his current unit that meets his needs without becoming rent burdened. To provide this reasonable accommodation so the client could be assisted in his current unit and pay no more than 40 percent of his adjusted income toward the family share, the NAII was allowed to approve an exception payment standard that exceeded the basic range of 90 to 110 percent of the FMR

Contact: Laure Rawson, Director, Housing Voucher Management and Operations Division, Office of Public Housing and Voucher Programs, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 4210, Washington, DC 20410, telephone (202) 708-0477.

- **Regulation:** 24 CFR 983.51(b)(1) and (c).

Project/Activity: New York City Department of Housing Preservation and Development (NYCDHPD), New York City, NY.

Nature of Requirement: HUD's regulation at 24 CFR 983.51 states the competitive selection and alternate selection requirements of project-based voucher (PBV) units.

Granted By: Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing

Date Granted: January 6, 2014.

Reason Waived: The waiver was approved so that NYCDHPD could add an additional 15 percent of the 1,093 units in Ocean Village to the 103 units that were converted under the Rental Assistance Demonstration program due to the surge in housing need from the displacement of many homeowners due to Hurricane Sandy.

Contact: Laure Rawson, Director, Housing Voucher Management and Operations Division, Office of Public Housing and Voucher Programs, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 4216, Washington, DC 20410, telephone (202) 708-0477.

- **Regulation:** 24 CFR 983.59(b)(1).

Project/Activity: Scott County Community Development Agency (SCDDA), Shakopee, MN.

Nature of Requirement: HUD's regulation at 24 CFR 983.59(b)(1) states that the rent to owner for public housing agency (PHA) owned units is determined according to the same requirements as for other project-based voucher (PBV) units, except that the independent entity approved by HUD must establish the initial contract rents based on an appraisal by a licensed, state-certified appraiser.

Granted By: Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing.

Date Granted: January 6, 2014.

Reason Waived: This waiver was approved to provide partial relief from these requirements.

Contact: Laure Rawson, Director, Housing Voucher Management and Operations Division, Office of Public Housing and Voucher Programs, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 4216, Washington, DC 20410, telephone (202) 708-0477.

- **Regulation:** 24 CFR 983.59(b)(1).

Project/Activity: Housing Authority of Snohomish County (HASC), Everett, WA.

Nature of Requirement: HUD's regulation at 24 CFR 983.59(b)(1) states that the rent to owner for public housing agency (PHA) owned units is determined according to the same requirements as for other project-based voucher (PBV) units, except that the independent entity approved by HUD must establish the initial contract rents based on an appraisal by a licensed, state-certified appraiser.

Granted By: Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing.

Date Granted: March 18, 2014.

Reason Waived: This waiver was approved to provide partial relief from these requirements.

Contact: Laure Rawson, Director, Housing Voucher Management and Operations Division, Office of Public Housing and Voucher Programs, Office of Public and Indian Housing,

Department of Housing and Urban Development, 451 Seventh Street, SW, Room 4216,
Washington, DC 20410, telephone (202) 708-0477.

- **Regulation:** 24 CFR 983.301(b)(1).

Project/Activity: Michigan State Housing Development Authority (MSHDA). Lansing,
MI.

Nature of Requirement: HUD's regulation at 24 CFR 983.301(b)(1) allows the rent to
owner to go below the initial rent in project-based voucher (PBV) units.

Granted By: Sandra B. Henriquez, Assistant Secretary for Public and Indian Housing.

Date Granted: January 2, 2014.

Reason Waived: The waiver was approved to allow MSHDA to apply provisions of the
proposed rule to avoid a major operating deficit

Contact: Laure Rawson, Director, Housing Voucher Management and Operations
Division, Office of Public Housing and Voucher Programs, Office of Public and Indian Housing,
Department of Housing and Urban Development, 451 Seventh Street, SW, Room 4216,
Washington, DC 20410, telephone (202) 708-0477.

Billing Code 4210-67

[FR Doc. 2014-12011 Filed 05/22/2014 at 8:45 am; Publication Date: 05/23/2014]